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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY

Egypt

SUBJECT

Distrust of German Advisers/Heavy Industry

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1. Some time in 1950 Doctor Wilhelm Foss was engaged by the then Minister of War as adviser to the Egyptian government on heavy industry. Dr. Foss is a German and a recognized authority in the field of armament production. During World War II the German government put him in charge of heavy industry in Czechoslovakia where he remained until 1945. Dr Foss brought a staff of 20 - 30 people with him when he came to Cairo. His four chief assistants are Czech Nationals all of whom had been managers of various Czech industrial plants prior to 1948. They are: Prandl (tank production expert), two brothers named Nohinek (armor plate specialists), and Kostloun (Bren gun authority). All four of these men have become really good friends of General Naguib.
2. Shortly after Naguib took over the government, he asked Prandl to get the other three Czechs to help him prepare plans for the manufacture of an armored reconnaissance car. They were specifically instructed to do the preliminary work without Dr Foss' knowledge. Dr Foss later heard of the project, and was refused permission to even look at the completed drawings.
3. Naguib explained this attitude to Prandl by saying that he did not trust Germans, and although he considered Dr Foss an able man he thought his real purpose in Egypt is to help promote German industrial penetration throughout the whole Middle East. In another talk (April 1953) Naguib told Prandl, "We shall make the US and the UK understand that we are going to get armament and build a strong army. If they don't give us what we need, we'll make it ourselves."
4. (A prototype of the reconnaissance car referred to was completed in the el Alamia Plant about two months ago / May 1953 /.)

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